

22 June 1961

**Briefing Paper for DCI**

**SUBJECT: Transfer of NIS Function from State**

**1. Chronology**

21 March 1961 Roger Hilsman proposed to DCI plan for transfer  
of NIS functions to CIA.

Mar-Apr 1961 Plan staffed and approved by CIA, Congressional  
Committees, and Bureau of Budget.

29 April 1961 Letter from DDCI to Roger Hilsman accepting  
transfer of NIS functions, staffs and files,  
with certain stipulations.

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17 May 1961 Position statement of Civil Service Commission  
on status of Civil Service personnel affected by  
State/INR re-organization.

1 July 1961 Administrative control of NIS staffs in State  
to be assumed by CIA.

11/26/80  
1 Nov 1961 Planned move of NIS staffs in State to Langley.

**2. NIS Functions in State/INR**

For past 12 years State/INR has been allocated NIS production and  
maintenance responsibilities for Sociological, Political, and non-bloc  
Economic intelligence.

1 - State file folder

1 - SA - State CIA has provided funds since beginning of NIS program.

1 - NIS Program

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For FY 1961 the funds total [REDACTED] for a staff of 295 personnel.

3. Authority for NIS transfer

NSCID No. 3 directs that NIS production and maintenance responsibilities shall be allocated to CIA and/or to those other departments or agencies of the Government best qualified by reason of mission, production capability, and primary interest. Paragraph 1. b. of that directive states that changes in the allocations of production and maintenance responsibilities shall be effected by agreement between the DCI and the departments and agencies concerned.

4. Reason for transfer

State/INR is directed by the new Administration to limit its staffs and functions to roughly one-half of its present size, and to primarily support policy planning in State. The transfer out of State of NIS staffs and functions accomplishes the necessary reduction in force and places both the NIS functions and funding in CIA.

5. The Transfer Plan

A Research Division and a Graphics Support Branch, totaling 112 persons, is being set up in the Office of Basic Intelligence, CIA, to assume NIS responsibilities formerly done by State/INR. Approximately 25% of these positions will be filled by the present State Department staff who have elected to transfer and are acceptable to CIA. State Biographic Intelligence functions and staffs are being transferred to the Biographic Register, Office of Central Reference, CIA.

In addition negotiations are being conducted with the Departments of Commerce, Labor, and HEW to produce certain portions of the NIS to ensure maximum utilization of the established civilian agencies now doing similar kinds of research.

## 6. Allocations and Cost Estimates

### a) Six NIS Sections to be allocated to non-USIB agencies

| <u>Sections</u>          | <u>No.<br/>per yr.</u> | <u>Provisional<br/>Allocation</u> | <u>No.<br/>Pers.</u> | <u>Cost<br/>Estimate</u> |
|--------------------------|------------------------|-----------------------------------|----------------------|--------------------------|
| 41 Population            | 8 )                    |                                   |                      |                          |
| 64 Manufacturing         | 8 )                    | Commerce                          | 24                   |                          |
| 65 Trade & Finance       | 8 )                    |                                   |                      |                          |
| 44 Manpower              | 8 )                    | Labor                             | 8                    |                          |
| 43 Rel., Ed. & Pub. Info | 8 )                    | HEW (also producing               | 16                   |                          |
| 46 Welfare               | 8 )                    | 8 Secs 45 (Health)                |                      |                          |
|                          | <u>48</u>              |                                   | <u>48</u>            |                          |

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### b) Research Division, OBI/CIA

|  |            |            |
|--|------------|------------|
| Ch I, IV, V, VI Sections               | 130        | 100        |
| Graphic support                        |            | 9          |
| Administrative support<br>and services |            | 3          |
| Total:                                 | <u>130</u> | <u>112</u> |

### c) Recapitulation under State/INR      Reallocation under Proposed Plan

|                          | <u>No.<br/>Pers.</u> | <u>Cost<br/>Estimate</u> |               | <u>No.<br/>Pers.</u> | <u>Cost<br/>Estimate</u> |
|--------------------------|----------------------|--------------------------|---------------|----------------------|--------------------------|
| FY 61 budget             | 298                  |                          | Non-USIB      | 48                   |                          |
| Less NIS in Biog. Intel. | <u>22</u>            |                          | Research Div. | <u>112</u>           |                          |
| Total:                   | 276                  |                          |               | 160                  |                          |

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